

Written Testimony of  
The Connecticut ENT Society  
The Connecticut Society of Eye Physicians (CSEP),  
The Connecticut Dermatology and Dermatologic Surgery Society (CDS)  
Connecticut Orthopaedic Society  
Connecticut Urology Society

**FTR**

Submitted to the Joint Committee on Insurance and Real Estate  
March 13, 2012

In Support of  
H.B. No. 5487 AN ACT CONCERNING THE RECOMMENDATIONS OF THE SMALL BUSINESS HEALTHCARE  
WORKING GROUP AND CLAIMS INFORMATION REQUIRED TO BE PROVIDED BY INSURERS

On behalf over 1300 physicians in the medical specialties of Urology, ENT, Ophthalmology, Orthopaedic and Dermatology The above named Medical Societies strongly urge you to support H.B. No. 5487 AN ACT CONCERNING THE RECOMMENDATIONS OF THE SMALL BUSINESS HEALTHCARE WORKING GROUP AND CLAIMS INFORMATION REQUIRED TO BE PROVIDED BY INSURERS

As you know, Connecticut's small businesses are often the engine driving our economy and are especially important as innovators and employers. However, they are at a major disadvantage when it comes to health care for their employees. The Speakers Working Group on Small Business Health Care concluded earlier this year that "small businesses and individuals who are self-employed lack the leverage, purchasing power and the ability to aggregate their risk in a larger pool". This clearly limits the availability and affordability of health care to a large segment of the population. In fact, The Kaiser Family Foundation found that while almost all (97.4%) Connecticut businesses with over 50 employees are able to offer employee health care, only about half (53.1%) of businesses with fewer than 50 employees can offer coverage.

This bill would allow small employers with less than 50 employees, including self-employed individuals, to purchase employee health insurance through the state employee plan, enabling them to take advantage of the state's bargaining power. More choices and the ability to negotiate would improve the affordability and quality of health care. This would give small businesses and their employees increased access to quality health care.

This bill also limits insurers' ability to adjust small group premiums based on age, gender, occupation or group size. The ability to join the state employees plan would mean premiums will not rise just because a business hires older employees and would allow small businesses to take advantage of the experience and skills of older workers without a health insurance penalty. HB 5487 also requires insurers to rate and offer policies to associations, thus enabling small employers to band together with their professional associations and receive a premium quote based on the health experience of the entire group, further improving access and affordability.

In addition, insurers are required to report employers' current insurance plans compliance with the

minimum standards that will be required 2014. This allows employers to meet the federal individual responsibility requirement in 2014, which requires a health insurance policy to cover at least 60% of medical expenses, or allows them to select coverage that does meet this requirement if their current plan falls short of the requirements.

We all know the economic recovery in Connecticut and in the United States is fragile and the rising cost of health care threatens that recovery; but it is especially chilling to innovation and entrepreneurial investment which will be needed for long term stability and growth. Small businesses are especially vulnerable as high and unpredictable health care costs prevent them from hiring new employees and also providing coverage for existing, experienced employees. The provisions of this bill help ensure the availability and affordability of quality health care for all, and further help to level the playing field for small businesses in Connecticut.

We would like to thank the Speakers Working Group for their thoughtful analysis and recommendations on this vital issue. Thank you for your consideration.